

CLIFFORD CHANCE US LLP  
31 West 52nd Street  
New York, New York 10019-6131  
Telephone: (212) 878-8000  
Facsimile: (212) 878-8375  
David A. Sullivan  
Wendy Rosenthal

*Attorneys for John Price, Steven Price, Deirdra Price,  
Jennifer Price Wallin, Fairfax Holding LLC,  
Red Cliffs Mall Investment Company Ltd., Price  
Fremont Company Ltd., Pine Ridge Land Company Ltd.,  
Cache Valley Mall Partnership Ltd. and North Plains  
Development Company Ltd.*

**UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK**

In re	:	Chapter 11
GENERAL GROWTH PROPERTIES, INC., <i>et</i>	:	Case No. 09-11977 (ALG)
<i>al.</i> ,	:	
	:	(Jointly Administered)
Debtors.	:	

**LIMITED OBJECTION AND RESERVATION OF RIGHTS OF JOHN PRICE,  
STEVEN PRICE, DEIRDRA PRICE, JENNIFER PRICE WALLIN, FAIRFAX  
HOLDING LLC, RED CLIFFS MALL INVESTMENT COMPANY LTD., PRICE  
FREMONT COMPANY LTD., PINE RIDGE LAND COMPANY LTD., CACHE  
VALLEY MALL PARTNERSHIP LTD. AND NORTH PLAINS DEVELOPMENT  
COMPANY LTD. TO DEBTORS' MOTION FOR ENTRY OF AN ORDER PURSUANT  
TO SECTIONS 105(a) AND 363 OF THE BANKRUPTCY CODE (A) APPROVING  
BIDDING PROCEDURES, (B) AUTHORIZING THE DEBTORS TO ENTER  
INTO CERTAIN AGREEMENTS, (C) APPROVING THE ISSUANCE OF WARRANTS,  
AND (D) GRANTING RELATED RELIEF**

John Price, Steven Price, Deirdra Price, Jennifer Price Wallin, Fairfax Holding LLC, Red  
Cliffs Mall Investment Company Ltd., Price Fremont Company Ltd., Pine Ridge Land Company  
Ltd., Cache Valley Mall Partnership Ltd. and North Plains Development Company Ltd. (for  
convenience only, the "Price Parties"), file this limited objection and reservation of rights (the

"Limited Objection") to the Debtors' Motion for Entry of an Order Pursuant to Sections 105(a) and 363 of the Bankruptcy Code (A) Approving Bidding Procedures, (B) Authorizing the Debtors to Enter into Certain Agreements, (C) Approving the Issuance of Warrants, and (D) Granting Related Relief dated March 31, 2010 (the "Bidding Procedures Motion"). In support of this Limited Objection, the Price Parties respectfully state as follows:

### **Background**

1. Commencing on April 16, 2009 (the "Petition Date") and continuing thereafter, the Debtors<sup>1</sup> filed voluntary cases under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code").

2. General Growth is authorized to continue to operate its business and manage its properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

3. The Price Parties are holders of Series B Preferred Units of GGP Limited Partnership ("GGP LP") issued prior to the Petition Date in connection with that certain Fourth Amendment dated July 10, 2002, to that certain Second Amended and Restated Agreement of Limited Partnership of GGP Limited Partnership dated as of April 1, 1998, as subsequently amended from time to time (the "Fourth Amendment"), whereby GGP LP, among other things, acquired various real estate holdings from the Price Parties in exchange for certain consideration including, among other things, such preferred interests.

4. In connection with certain of the transactions contemplated by the Fourth Amendment, General Growth Properties Inc. ("GGP Inc."), GGP LP, and certain of the Price Parties executed that certain Tax Matters Agreement dated July 10, 2002 which, among other

---

<sup>1</sup> Capitalized terms not defined herein shall have the meaning ascribed to such term as in the Bidding Procedures Motion.

things, restricts the disposition of certain "Protected Properties" and requires GGP LP to indemnify the Price Parties for certain tax obligations that may be incurred by the Price Parties as the result of certain protected transactions (the "Tax Matters Agreement").

5. Simultaneously with the Fourth Amendment and the Tax Matters Agreement, GGP LP and GGP Inc. entered into that certain Redemption Rights Agreement (Common Units), dated July 10, 2002 and that certain Redemption Rights Agreement (Preferred Units) (collectively, the "Redemption Rights Agreements") with, among others, the Price Parties. The Redemption Rights Agreements grant to the parties thereto, including the Price Parties, the right to redeem their preferred units in GGP LP and ultimately convert such units into shares of common stock in GGP Inc. on the terms stated therein, and further imposes on GGP LP and GGP Inc. certain obligations with respect to the redemption and associated rights under such agreements.

6. The Price Parties filed proofs of claim against GGP LP, GGP Inc., and Price Development Company, Limited Partnership based on unpaid distributions on account of their Series B Preferred Units and unliquidated and contingent obligations in connection with the Tax Matters Agreement and the Redemption Rights Agreements.

7. According to the Bidding Procedures Motion, on March 31, 2010, General Growth executed agreements for more than \$6.5 billion in equity capital agreements. The Cornerstone Agreement is with REP which has committed \$2.625 billion to sponsor a recapitalization plan for General Growth (the "REP Agreement") in exchange for approximately 26% of reorganized General Growth.<sup>2</sup> General Growth concurrently signed agreements with Fairholme to invest \$2.8 billion and Pershing to invest \$1.1 billion (for a combined total of

---

<sup>2</sup> Excluding and shares that may be acquired through exercise of the Warrants and excluding ownership interest in GGO as explained below.

\$3.925 billion) in reorganized General Growth (together, the "Fairholme/Pershing Agreements" and collectively with the REP Agreement, the "Investment Agreements") in exchange for approximately 28% and 11% of reorganized General Growth, respectively.<sup>3</sup> Under the REP Agreement, equity capital will be invested at \$15 per share.

9. Under the proposed recapitalization Plan contemplated by the Investment Agreements, two entities will emerge, Reorganized General Growth and General Growth Opportunities ("GGO"), a new company to which GGP would transfer certain non-core assets that currently produce little or no current income but have the potential for significant long-term value. General unsecured creditors will be paid in full with post-petition interest and, excluding the effect of the Warrants, existing shareholders will retain 34% of GGP and 86% of GGO. New investors will pay \$10 per share for GGP stock and \$5 per share for GGO stock.

10. With respect to GGPLP Preferred Equity Interests, holders will receive (a) a cash distribution based on their pro rata share of dividends accrued and unpaid prior to the effective date of the plan and (b) may elect between (i) reinstatement of their preferred units in reorganized GGP LP, which shall be in the same number of preferred units in reorganized GGP LP as they held as of the record date in GGP LP, provided however, that any prepetition indirect redemption or conversion rights to receive GGP Inc. common stock held by such holders (subject to any rights of GGP) shall have been deemed to have been revised to subsequently be redeemable or convertible into new common stock on conversion or redemption terms consistent with their prepetition agreements, or (ii) being deemed to have converted their GGP LP preferred equity interests to GGP LP common units and then to have put such GGP LP common units to GGP LP, effective the day prior to the record date, and GGP Inc. will assume GGP LP's

---

<sup>3</sup> Also excluding and shares that may be acquired through exercise of the Warrants and excluding ownership interest in GGO as explained below. REP, Fairholme and Pershing are collectively referred to herein as the "Commitment Parties".

obligation under such put and satisfy this obligation with new common stock and GGO stock as if such holders had exercised their rights on the day immediately preceding the record date.

**Limited Objection and Reservation of Rights**

11. From the description of the transactions contained in the Bidding Procedures Motion, it is unclear whether the proposed transactions will trigger obligations owing to the Price Parties from GGP LP under the various contracts among the Price Parties, GGP Inc. and GGP LP including, but not limited to, the Tax Matters Agreement and the Redemption Rights Agreements and the Price Parties cannot determine whether their rights would be implicated by the proposed transactions and whether additional claims would arise as a result thereof. The Price Parties file this Limited Objection and Reservation of Rights to the extent that the proposed transactions do not address the treatment of such claims.

12. Also there are certain elements of the chapter 11 plan of reorganization that are being established pursuant to the Bidding Procedures Motion including classification of claims and interests, valuation and the establishment of GGO. The Price Parties hereby reserve all of their rights to object to the provisions of the plan of reorganization that contain such in connection with the motions approve the terms when the disclosure statement and plan of reorganization when filed in these cases.

Dated: New York, New York  
April 22, 2010

Respectfully submitted,

CLIFFORD CHANCE US LLP

By: /s/ David A. Sullivan  
David A. Sullivan (DS-8967)  
Wendy Rosenthal (WR-4461)  
31 W. 52nd Street  
New York, New York 10019-6131  
Telephone: (212) 878-8000  
Facsimile: (212) 878-8375

*Attorneys for John Price, Steven Price,  
Deirdra Price, Jennifer Price Wallin,  
Fairfax Holding LLC, Red Cliffs Mall  
Investment Company Ltd., Price Fremont  
Company Ltd., Pine Ridge Land Company  
Ltd., Cache Valley Mall Partnership Ltd.  
and North Plains Development Company  
Ltd.*